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*Attorneys for Debtors and Debtors in Possession*

**UNITED STATES BANKRUPTCY COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN FRANCISCO DIVISION**

**In re:**

**PG&E CORPORATION,**

**- and -**

**PACIFIC GAS AND ELECTRIC COMPANY,**

**Debtors.**

- ☐ Affects PG&E Corporation  
☐ Affects Pacific Gas and Electric Company  
☒ Affects both Debtors

*\* All papers shall be filed in the Lead Case No. 19-30088 (DM).*

Bankruptcy Case  
No. 19-30088 (DM)  
Chapter 11  
(Lead Case)  
(Jointly Administered)

**SUPPLEMENTAL DECLARATION OF  
MICHAEL H. TORKIN IN SUPPORT OF THE  
MOTION PURSUANT TO 11 U.S.C.  
§ 363 AUTHORIZING DEBTORS TO PAY THE  
FEES AND EXPENSES OF SIMPSON  
THACHER & BARTLETT LLP AS COUNSEL  
TO THE INDEPENDENT DIRECTORS OF  
PG&E CORP. (AS MODIFIED AS DESCRIBED  
HEREIN)<sup>1</sup>**

Date: May 9, 2019  
Time: 9:30 a.m. (Pacific Time)  
Place: United States Bankruptcy Court,  
Courtroom 17, 16th Floor  
San Francisco, CA 94102  
Objection Deadline: May 2, 2019, at 4:00 p.m.  
(Pacific Time)

<sup>1</sup> As described herein, Simpson Thacher & Bartlett LLP is seeking authorization pursuant to 11 U.S.C. § 327(e) for the Board Representation (as defined below) and pursuant to 11 U.S.C. § 363 for the Independent Director Representation (as defined below).

1 I, Michael H. Torkin, being duly sworn, declare the following under penalty of perjury:

2 I am a partner in the law firm of Simpson Thacher & Bartlett LLP (“**Simpson Thacher**” or  
3 the “**Firm**”), with an office at 425 Lexington Avenue, New York, New York 10017. I am a member  
4 in good standing of the Bar of the State of New York, and there are no disciplinary proceedings  
5 pending against me.

6 This Supplemental Declaration is made in support of the above-captioned debtors’ (the  
7 “**Debtors**”) *Motion Pursuant to 11 U.S.C. §363 Authorizing Debtors to Pay the Fees and Expenses*  
8 *of Simpson Thacher & Bartlett LLP as Counsel to the Independent Directors of PG&E Corp.* on the  
9 terms and conditions described in the Motion (as such terms and conditions are modified as described  
10 herein, the “**Motion**”)<sup>2</sup>. The Motion seeks authorization to pay the reasonable fees and expenses of  
11 Simpson Thacher as counsel to (i) the Board of Directors (the “**Board**”) of each of PG&E Corporation  
12 and Pacific Gas and Electric Company, as the Board may be constituted from time to time, and as  
13 counsel to the members of the Board from time to time in their capacities as members of the Board,  
14 under section 327(e) of the Bankruptcy Code (the “**Board Representation**”) and (ii) certain current  
15 and former independent directors in their individual capacities who serve or served as independent  
16 directors prior to and/or as of the Filing Date (each an “**Independent Director**” and collectively, the  
17 “**Independent Directors**”) (the “**Independent Director Representation**”) under section 363 of the  
18 Bankruptcy Code. This Declaration addresses the disclosures required by the 2013 U.S. Trustee  
19 Large Case Fee Guidelines and supplements the Torkin Declaration in light of the U.S. Trustee’s  
20 request that Simpson Thacher be retained as counsel to the Board under 11 U.S.C. § 327(e). Except  
21 as otherwise noted, I have personal knowledge of the matters set forth herein, and the statements  
22 made herein are based on the conflicts search conducted to date and described herein and are made  
23 to the best of my knowledge, information and belief.

24 The services to be performed in connection with the Board Representation include (i) matters  
25 related to corporate governance, and (ii) other related matters.

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28 <sup>2</sup> Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Motion.

1 The services to be performed in connection with the Independent Director  
2 Retention include (i) representation in ongoing litigation and regulatory inquiries, including matters  
3 involving the California Public Utilities Commission, (ii) fact-gathering, and (iii) related matters.

4 To the extent that any information disclosed herein requires amendment or modification upon  
5 Simpson Thacher's receipt of additional information or as additional information on parties in interest  
6 becomes available, I or one of my partners will use reasonable efforts to file a supplemental  
7 declaration with the Court.

8 Simpson Thacher has not agreed to any variations from, or alternatives to, its standard billing  
9 arrangements for the Board Representation or the Independent Director Representation. Simpson  
10 Thacher's rate structure is appropriate and is the same as: (a) the rates that Simpson Thacher charges  
11 for other non-bankruptcy representations; and/or (b) the rates of other comparably skilled  
12 professionals.

13 Simpson Thacher's professionals involved in these engagements do not vary their rates based  
14 on the geographic location of the Debtors' Chapter 11 Cases. Simpson Thacher's hourly rates in  
15 representing the Board and the Independent Directors are consistent with its rates for other  
16 comparable clients, regardless of the location of the Chapter 11 Cases.

17 Simpson Thacher has been representing certain of the Independent Directors since December  
18 2017.<sup>3</sup> The billing rates and material financial terms of the prepetition engagement are the same as  
19 those described in the Motion and will be subject to customary annual rate increases as of January 1.  
20 Simpson Thacher's representation of the Board began in April 2019. The billing rates and material  
21 financial terms for the post-petition services to the Board are the same as those described in the  
22 Motion, subject to customary annual rate increases as of January 1.

23 The services to the Board will be provided on the basis of specific assignments. Accordingly,  
24 there is not a budget established at this point, but Simpson Thacher will be charging its customary  
25 hourly rates. If the Board asks Simpson Thacher to perform any other transactionally-based  
26 assignments related to a plan of reorganization, Simpson Thacher and the Board will develop a budget  
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28 <sup>3</sup> Simpson Thacher is holding a balance of \$556,633.58 on a retainer paid in December 2018  
with respect to the representation of the Independent Directors.

1 at the appropriate time. In addition, if the Debtors ask Simpson Thacher to provide a monthly forecast  
2 for services to be provided to the Board, Simpson Thacher will do so. Simpson Thacher has provided  
3 the Debtors with a monthly forecast through the end of 2019 for services to be provided to the  
4 Independent Directors. In accordance with the U.S. Trustee Guidelines, any budget or forecast that is  
5 provided may be amended as necessary to reflect changed or unanticipated developments.

6 The U.S. Trustee has requested that the retention of Simpson Thacher for the Board  
7 Representation be approved under 11 U.S.C. § 327(e), and in light of that request, the proposed order  
8 has been modified in the manner attached hereto as Exhibit A, with a redline against the original form  
9 of proposed order attached hereto as Exhibit B. Exhibit A also reflects comments from counsel for  
10 the Official Committee of Unsecured Creditors. Subject to the disclosures in the Torkin Declaration  
11 as supplemented herein, I believe that Simpson Thacher does not represent or hold any interest  
12 adverse to the Debtors or their estates with respect to Simpson Thacher's representation of the  
13 Independent Directors and Simpson Thacher's representation of the Board. I also believe that  
14 Simpson Thacher's representation of the Independent Directors does not cause Simpson Thacher to  
15 represent or hold any interest adverse to the Board. If any conflict should arise with respect to a  
16 particular matter, the Board can utilize one of the Debtors' other counsel.

17 Weil Gotshal & Manges circulated a revised version of the Retention Checklist on April 16,  
18 2019. Based on the revised version, Simpson Thacher provides the following additions to the  
19 Schedules to the Torkin Declaration:

20 (i) **Schedule 2 (a) [Current Clients in the Chapter 11 Cases]:** The newly-constituted  
21 Board.

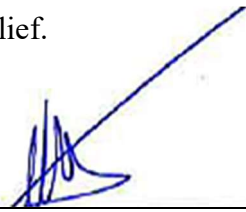
22 (ii) **Schedule 2(b) [Interested Parties as Described in the Torkin Declaration]:** Accenture,  
23 McKinsey, Willis Towers Watson US LLC, Western Asset Management Company, Assurant Entities,  
24 BrightView Enterprise Solutions, LLC, BrightView Landscape Services, Inc., Centerbridge Partners,  
25 L.P., Clearway Energy, Inc., XL Insurance America, Inc.

26 (iii) **Schedule 2(b) [Interested Parties For Whom Additional Information Is Needed]:**  
27 Michael Graham, Robert E. (Amerman), Director of Industrial.  
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1 To the extent that any new relevant facts or relationships bearing on the matters described  
2 herein during the period of Simpson Thacher's retention are discovered or arise, Simpson Thacher  
3 will use reasonable efforts to file promptly a supplemental declaration, as required by Bankruptcy  
4 Rule 2014(a).

5 Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and  
6 correct to the best of my knowledge, information and belief.

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8 Dated: May 1, 2019

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11 Michael H. Torkin  
12 Simpson Thacher & Bartlett LLP  
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